RESOLUTION NO. 105

December 18, 2006

A RESOLUTION FIXING AND PRESCRIBING THE PROCEDURE FOR DETERMINING EQUITABLE CHARGES AND FEES AND ADOPTING PROCEDURES FOR THE PROVISION OF WASTEWATER SERVICES PROVIDED BY SNYDERVILLE BASIN WATER RECLAMATION DISTRICT, SUMMIT AND WASATCH COUNTIES, UTAH, AND PROVIDING CERTAIN PROHIBITIONS.

WHEREAS the Board of Trustees of the Snyderville Basin Water Reclamation District owns and operates a domestic wastewater collection and treatment system consisting of a collection system, treatment facilities, and solids disposal program; and

WHEREAS it is the Policy of the Board of Trustees of the Snyderville Basin Water Reclamation District to charge equitable fees based on the services received and costs created by or attendant to the provision of wastewater service. The District has completed a cost of service study and intends to implement the recommendations of the study to modify the user fees for wastewater collection and treatment. The District may enact service charges and other necessary fees from time to time based on the procedures and authority to charge fees contained in this Resolution including -fees as may be deemed necessary and prudent by the Board of Trustees from time to time including, but not limited to, extraordinary costs created by specific projects; and

WHEREAS the Board of Trustees of the Snyderville Basin Water Reclamation District has established a plan for financing capital improvements with reserve funds, as available, to minimize incurring the debt and interest expense associated with bonding for capital improvements and has enacted impact fees in the past to fund future capital expansion projects and improvements in accordance with existing State and Federal laws; and

WHEREAS it is deemed advisable from time to time to revise, amend, create and reestablish certain policies and procedures established by this Board;

NOW, THEREFORE, the Board of Trustees of the Snyderville Basin Water Reclamation District (SBWRD) hereby resolves as follows:

SECTION 1 - PURPOSE

The purpose of this resolution shall be to establish conditions for service from the District constituting the agreement for service between the District and users of the District system, procedures to generate sufficient revenue to pay all costs of operation and maintenance of the District's wastewater system to meet public health standards and other regulatory requirements; to pay all costs associated with regulatory compliance; to pay the capital repayment costs, including interest, for all outstanding bonded indebtedness; and to provide for a Capital Improvement Fund and Operation and Maintenance Fund. Such costs shall be distributed among

the users of the wastewater system in proportion to each user's contribution to the total volume loading of the collection system and treatment facilities by base service charge for each equivalent residential unit and for the volume of wastewater.

SECTION 2 - OPERATIVE EFFECT OF THIS RESOLUTION

All prior resolutions of the Board of Trustees of Snyderville Basin Water Reclamation District relating to rates and charges for wastewater services and policies and procedures in conflict with the provisions of this resolution are hereby repealed; all provisions of prior resolutions consistent with the terms of this resolution are hereby restated and re-enacted.

SECTION 3 - DETERMINING THE TOTAL ANNUAL COST OF OPERATION AND MAINTENANCE

The Snyderville Basin Water Reclamation District has determined the total annual costs of operation and maintenance of the wastewater system which are necessary to maintain the capacity and performance of that system during the service life of the treatment and collection works. The total annual cost of operation and maintenance of the District system are taken into consideration in the rates and charges for system use defined herein.

SECTION 4 - WASTES PROHIBITED FROM BEING DISCHARGED INTO THE WASTEWATER TREATMENT SYSTEM

- 1. The discharge of any pollutant that interferes with, passes through untreated, or otherwise is incompatible with the wastewater system and treatment process is hereby prohibited. Pretreatment or elimination of pollutants prior to their introduction into the wastewater treatment facility is required in accordance with 40 CFR 403, the Uniform Plumbing Code, and Snyderville Basin Water Reclamation District "Industrial Pretreatment Program." All of these regulations and policies are hereby adopted as part of this Resolution by reference.
- 2. A user whose direct or indirect discharges or proposed discharges may be deleterious and/or incompatible with the District's wastewater collection and treatment facilities, treatment processes, solids disposal, worker health and safety, or the environment, shall be deemed to be an Industrial User, and, prior to discharging any such pollutants into the wastewater system, shall ensure compliance with the Snyderville Basin Water Reclamation District's rules and regulations. Creation of pollution in the receiving waters of the District's treatment process by diversion of water or otherwise is prohibited by the Clean Water Act and State Antidegration Policy.
- 3. Creation of pollution in the receiving waters of the District's treatment process by diversion of water or otherwise is prohibited by the Clean Water Act and State Antidegration Policy. Any user or proposed user whose source or sources of water results in the physical, biological, or chemical alteration of the receiving

waters of the District's treatment process shall either be denied connection or shall be required to pay its prorata share of the costs created by its use of the water sources. These determinations and calculations shall be in the sole discretion of the Board of Trustees.

- 4. The following pollutants shall <u>not</u> be introduced into the wastewater treatment facilities:
 - A. Flammable or explosive pollutants including, but not limited to, gasoline, benzene, naphtha and fuel oil.
 - B. Toxic, hazardous, corrosive, or poisonous pollutants.
 - C. Solid or viscous pollutants which may obstruct flow in the wastewater system including garbage that has not been properly shredded.
 - D. Strongly odorous pollutants or odor-producing pollutants.
 - E. Petroleum oils, nonbiodegradable oils, or solvents.
 - F. Fat, grease, or floatable oils normally collected by properly sized, operated, and maintained oil and grease traps or interceptors.
 - G. Uncontaminated water (such as storm drainage, roof runoff, groundwater, etc.).
 - H. Sludge from pretreatment facilities.
 - I. Pollutants with temperatures over 40° C (104° F).
 - J. Pollutants which contain or result in the production of toxic, corrosive, explosive, or malodorous gases.
 - K. Pollutants with a pH lower than 6.5 or greater than 9.0.
 - L. Pollutants which will interfere with or pass through the treatment process or cause the treatment plant to violate its Utah Pollutant Discharge Elimination System (UPDES) Discharge Permit and/or create a hazard to health.
 - M. Trucked or hauled pollutants, except at designated discharge points.
- 5. All commercial kitchens, car washes, automotive service stations, and any other business that generate wastes containing vegetable or mineral oils and greases, sand, grit, petroleum wastes, or any flammable wastes, and are connected to the collection system shall, in order to prevent these wastes from entering the wastewater system, have oil, grease, and sand interceptor(s).
- 6. Any person violating this section shall be liable for all damage caused to the wastewater system or system costs created as a result of that violation and for all costs and expenses associated with the enforcement of this section, including attorney fees and associated costs and expenses.

SECTION 5 - PROHIBITION OF CLEAR WATER CONNECTIONS

No person shall make connection of roof down spouts, exterior foundation drains, areaway drains, or other sources of surface runoff or groundwater to a building sewer or building drain which is connected directly or indirectly to a public wastewater collection system. Any person violating this provision shall be liable for all damage caused to the wastewater system by that connection and for all costs and expenses associated with the enforcement of this section, including attorney fees and associated costs and expenses.

SECTION 6 - PROPER DESIGN AND CONSTRUCTION OF NEW SEWERS AND CONNECTIONS

The planning, design, construction, and procedures for development of wastewater collection systems (size, slope, alignment, materials of construction of sewers and sewer connections, and the methods to be used in excavations, placing of the pipe, jointing, testing, and backfilling the trench) shall conform to the requirements of the "Wastewater Collection System Line Extension Agreement," "Design Standards and Construction Specifications," and other applicable rules and regulations of the Snyderville Basin Water Reclamation District; "The Uniform Building Code" and "The Uniform Plumbing Code" of the State of Utah; and other applicable regulations of Summit County and the State of Utah. In the absence of code provision or in amplification thereof, the materials and procedures set forth in appropriate A.S.T.M. specifications and Water Environment Federation Manuals of Practice No. 9 and No. FD-5 shall apply. The documents referenced in this paragraph are hereby adopted as part of this Resolution and incorporated herein by reference.

SECTION 7 - POWERS AND AUTHORITY OF DISTRICT OFFICIALS

All District officials or authorized representatives, bearing proper credentials and identification demonstrating their association with the District, shall be permitted access at all reasonable times to all properties and entrance to all buildings for the purposes of inspection, observation, measurement, sampling, and testing necessary to determine that all discharges to the wastewater system are in accordance with the provisions of this resolution. As a condition of continuing service from the District, all users are deemed to have consented to the collection of water use information by the District from water suppliers or directly from system users to assure that the fees and charges imposed by the District are fairly and equitably applied to and collected from, all users of the District system.

SECTION 8 - MANDATORY HOOK UP

In the event a public wastewater collection line owned or operated and maintained by the SBWRD is adjacent to any property line, on which property there is a building or structure discharging sanitary or industrial waste, the owner of such houses, buildings, or properties used for human occupancy, employment, recreation, commercial, industrial or other like purposes, situated within the SBWRD shall physically connect to such wastewater collection system within 90 days after such systems are available for use unless granted an exception by District

Policy or the Board of Trustees. Failure of the property owner to comply with this requirement within the time prescribed under the applicable policy of the District shall be considered a violation of this resolution and a penalty of 10 percent of the applicable impact fee shall be added to that fee, together with interest at the legal rate, until such time as physical connection is made to the Snyderville Basin Water Reclamation District wastewater collection system. The entire past due fee, penalty and interest, together with the then applicable Impact Fee, together with any attorney fees and costs experienced, shall be due in its entirety prior to the connection to the wastewater collection system. In the event a property owner deems they should be exempted from the operation of this provision for reasonable cause, that property owner must directly petition the Board of Trustees for an exemption. The Board shall consider these petitions on a case-by-case basis, in the sole discretion of the Board, and the decision of the Board shall be considered final.

SECTION 9 - DETERMINING EACH USER'S WASTEWATER CONTRIBUTION

1. The Snyderville Basin Water Reclamation District currently recognizes the following classes of users: residential (single family), condominiums (multiple family), commercial, and industrial. The District shall determine each user's average daily volume of wastewater which has been discharged to the wastewater system during the period November through April or an alternative time period of use may be used which provides the best estimate of the users impact on the District collection and treatment system. If November through April usage is not available, the District will use the best available information provided by each water company. The District shall have the ability to create additional classes of users in response to extraordinary situations and costs. Each water user connected to the District system consents, by accepting service from the District, to the collection and use of the system users water use information from the water supplier or from the system user. The District may read the water meter of any system user to obtain reliable water use information when the system user refuses to supply the necessary information to the District or allow the system users water supplier to provide the information required by this paragraph to the District.

SECTION 10 - DETERMINING EACH USER'S WASTEWATER USER FEE

1. A residential (single family) users' wastewater discharge, otherwise known as a Residential Equivalent (RE), shall be considered to be 320 gallons per day; 200 parts per million, 5-day, 20 degree centigrade biochemical oxygen demands; 250 parts per million total suspended solids; and 100 parts per million total oil and grease. Condominiums (multiple family), commercial and industrial customers may be billed a wastewater service charge based upon each user's contribution of 5-day, 20 degree centigrade biochemical oxygen demands, total suspended solids, total oil and grease, and volume as explained further in this resolution.

- 2. Wastewater haulers shall comply with and be charged for wastewater services as required by the District's rules and regulations and Section 14 of this resolution.
- 3. In the event a user creates extraordinary system costs through use of a water source detrimental to the receiving waters of the treatment process or otherwise, that user shall bear its prorata share of the costs created thereby.
- 4. The Snyderville Basin Water Reclamation District shall notify each user annually of the users' total user fees and the percentage of user charges which are attributable to the operation and maintenance of the District's facilities. This notification shall be provided in conjunction with a regular bill for wastewater user fees.
- 5. The Snyderville Basin Water Reclamation District shall hold a public hearing in accordance with the laws of the State of Utah prior to any increase in the rates established by this Resolution.

SECTION 11 - AUTHORITY TO CONNECT

- 1. Applicable impact fees shall be paid in full before construction of laterals connecting any home or building to the District's wastewater system. Upon receipt of the applicable impact fees, a user account shall be established for the property. The authority to connect to the wastewater system shall be provided only to the owner of the property after the payment of all fees and charges required by the District and the execution of a service agreement providing that the property owner shall observe and comply with the conditions of service and rules and regulations of the District. Payment of any accrued or future wastewater services charges shall be the responsibility of the current property owner; however, new owners of the property shall be jointly and severally liable for these wastewater service charges accrued under the terms of this Resolution.
- 2. To the extent it is legally permitted, the Board of Trustees shall assist in the enforcement of the ordinances of the Board of County Commissioners of Summit and Wasatch Counties requiring mandatory connection to the wastewater collection system. The Board of Trustees shall also assist to the same extent in the enforcement of similar municipal ordinances of Park City Municipal Corporation.
- 3. All extraordinary costs, costs of physical connection to, and the cost of purchasing and installing materials required for the connection to the wastewater system shall be paid by the applicant and shall be paid in addition to the impact and user fees described below.

4. It shall be unlawful for any person to open, uncover, connect to, damage, or otherwise tamper with the District's wastewater system without written permission from the Snyderville Basin Water Reclamation District. Any person violating any of the provisions, herein, shall be deemed guilty of a misdemeanor and each day of the violation shall constitute a separate offense. In addition, legal proceedings may be initiated by the District to restrain such harmful or threatening activities and to recover any damages experienced by the District, which damage shall include attorney fees and related costs.

SECTION 12 - USER FEES

The monthly user fees for wastewater service supplied within the boundaries of the Snyderville Basin Water Reclamation District shall be adopted by fee resolution of the Board of Trustees from time to time and shall be assessed and charged as follows:

All users shall be billed based on water usage and may be charged additional fees 1. based on the quality of wastewater contributed to the system under the provisions of Section 15 below. In order to avoid inclusion of water used for outside irrigation in the computation and because the treatment facilities are sized for peak months, the monthly fee for these connections shall be based on winter water usage. Winter water usage is defined as the average monthly water usage for the period of November through April of each year. Water usage shall be based on the average water meter readings for each of those months. If November through April water usage information is not available or does not accurately estimate the impact of the user on the District system, the District will use the best available information from water use information from the peak use period of the system user. The average shall be used to determine the fee for the next 12-month period beginning July 1 and ending June 30. Initial residential user billings shall be based upon the average residential winter water usage shown on the third quarter billing summary for each year. Initial commercial user fee billings shall be based on one residential equivalent, being equal to 320 gallons per day (9,600 gallons per month). User fee billings will not be adjusted unless reviewed on a case-by-case basis.

Commercial/industrial connections that have seasonal discharges, have zero or small discharges during the winter months, or other period of time accurately measuring the impact of the user on the District system, and connections that have been issued a Pretreatment Permit shall not be billed solely on their winter water average. These connections shall be billed on an equitable basis, determined on a case-by-case basis and as approved by the District. Modifications may also be made for water used in industrial processes or as a result of evaporation when sufficient documentation is provided to SBWRD. The Residential Equivalents (REs) shall be determined as described in Section 12.

The monthly user fee shall be computed by multiplying the number of residential units or the residential equivalents, whichever is greater, times a service charge

- and a volume rate according to a schedule of rates and charges adopted by resolution of the Board of Trustees from time to time as provided by law.
- 2. Single family residences that meet the requirements of Summit County's Property Tax Abatement Program shall be charged one-third the residential rate per month per residence.
- 3. Seasonal Discharge Seasonal discharges shall be charged on an equitable basis, determined on a case-by-case basis and as approved by the District. Seasonal discharges are defined as connections at which the wastewater discharged for 3 months of the year exceeds the yearly average by 25 percent or more. Seasonal discharges create a demand on the capacity of the treatment plant and collection system during specific months which must be available year round to provide service to those seasonal demands. The billing year shall be from July 1 to June 30. The analysis and fee determination for all seasonal dischargers shall be approved by the District.
- 4. User fees shall be charged beginning with the earlier of the following dates: (a) request for "Authorization to Use" form, or (b) when the District becomes aware the unit or structure is occupied.
- 5. Requests for adjustments to user fees shall be reviewed by the District upon request by the user. The user has the burden of providing evidence of inequities in the rates established by the Board of Trustees. Satisfactory evidence demonstrating that actual usage varies from billed usage by a greater amount than the accuracy of the water meter is required to be considered by the Board of Trustees. Metering of collection system lines by the user shall be considered satisfactory evidence for a request for an adjustment to a user fee for the period the meter is installed. Adjustments to user accounts under billed or over billed shall be adjusted retroactively for up to one (1) year. User fee accounts shall be credited or fees refunded for periods, when evidence is provided, that the water meter has been disconnected. When a property owner fails to notify the District that a water meter has been reconnected, after disconnection for construction, seasonal use, etc., adjustments to the user fee shall be made retroactive to when the meter was activated. For residential units without an individual water meter, evidence of disconnection of other utility meters, such as power or natural gas, may be submitted as the basis for a request for a credit or refund of user fees. Other requests shall be reviewed on a request-by-request basis by the District.
- 6. It is the responsibility of the property owner of record to notify the District of address or ownership changes. The owner of leased property connected to the wastewater system may request the user bill be mailed to another party by signing a "Property Owner Authorization Form," which is hereby adopted as part of this

Resolution. This request does not release the owner of the property from the responsibility for payment of wastewater services fees.

- 7. If any of the rates adopted by the Board for service rendered creates an inequity, an equitable rate shall be determined by the Board of Trustees on a case-by-case basis. It is the user's responsibility to make this request.
- 8. The District will review the overall user charge system on an annual basis to assure reasonableness of the user fees, and will revise the system when necessary in its sole discretion to assure that sufficient funds will be collected from the system to cover the annual operation and maintenance costs of the Snyderville Basin Water Reclamation District wastewater works.
- 9. User fees shall first fund the annual operation and maintenance, replacement, and repair of the District's existing facilities. After all such requirements are met; User fees shall fund the portion of annual debt requirement allocated to "existing" users.

SECTION 13 - DEVELOPMENT PROJECT, ADMINISTRATIVE, SEPTAGE, AND OTHER FEES

All fees legally adopted by the Board of Trustees, other than fees described in Sections 12 and 13, are authorized by this Section. These fees include, but are not limited to, development project fees described in the District's Line Extension Agreement (LEA), administrative fees collected in conjunction with an application for wastewater service, and septage disposal fees.

- 1. Development Project Fees collected in conjunction with an LEA include engineering and backlot wastewater maintenance fees and are approved separately under the LEA by the Board of Trustees.
- 2. Administrative fees are collected at the time of payment of the impact fee and are assessed for administrative costs associated with project review and approval, technical assistance, accounting, field coordination, lateral inspection, and/or coordination with Park City or Summit County. Administrative Fees shall be adopted and modified by the Board from time to time in a separate resolution.
- 3. Charges for septage disposal shall be established by resolution of the Board of Trustees from time to time as provided by law.

SECTION 14 - DETERMINING SURCHARGE RATES FOR USERS CREATING POLLUTION AND/OR DISCHARGING EXCESSIVE BOD, TSS, O & G, AND OTHER POLLUTANTS

The Snyderville Basin Water Reclamation District may assess a user fee surcharge for users discharging wastes with 5-day, 20 degree centigrade biochemical oxygen demands (BOD), total suspended solids (TSS), and/or total oil and grease (O & G) strengths greater than the residential wastewater contribution determined in Section 10, paragraph 1. Such user fee surcharges shall be determined and assessed to include the costs of treating wastes with excess strengths, as determined by tests performed in accordance with standard procedures, by increasing such user's service charge proportionately for the increase in percentage of 5-day, 20 degree centigrade biochemical oxygen demands, and/or proportionately for the increase in percentage of total suspended solids, and/or proportionately for the increase in percentage of total oil and grease. Permitted industrial users exceeding permitted limits identified in their permits shall be surcharged in accordance with the provisions of those permits. Surcharges or other fees and costs may also be levied against those creating pollution in or otherwise affecting a physical, chemical, or biological alteration of the receiving waters of the treatment processes of the District.

SECTION 15 - PAYMENT AND COLLECTION

The following rules shall apply to the payment and collection of fees and charges:

- 1. The fees adopted by the Board of Trustees shall be credited and debited on a first received-first expended accounting basis.
- 2. The wastewater services charges shall be billed on a quarterly basis. When service to any premises begins on other than the first day of the quarter, charges shall be prorated for the actual number of days the premise receives service. All charges shall be due on the date set forth on the statement.
- 3. Changes to the user account billing address shall be made only after the Snyderville Basin Water Reclamation District receives a signed Property Owner Authorization Form to bill a party other than the property owner. The property owner shall remain jointly and severally liable for all charges.
- 4. In the event that any such bill is not paid by the date it is due, such bills shall be deemed delinquent and an interest charge of 1.5 percent of the delinquent balance shall be added to all delinquent amounts each month.
- 5. If a check is returned for nonpayment, SBWRD will redeposit the check. If the check is still unpaid, the issuer will be charged a processing fee in an amount determined by resolution of the Board of Trustees from time to time and will be subject to all other delinquent policies of this Resolution, including review of project approval. Reasonable costs associated with collecting delinquencies,

- including service charges, bad check fees, and attorney fees and costs, may be added to and collected with wastewater service charges.
- 6. By approximately June 30, the Board of Trustees of the Snyderville Basin Water Reclamation District shall certify to the Treasurer or Assessor of the County in which the property is located, all delinquent charges for service, including user fees, impact fees, engineering fees, and all other fees authorized by the Board of Trustees, together with applicable penalties, interest, and legal or administrative fees and costs, which shall immediately upon such certification become a lien on the delinquent property on a parity with and collectible at the same time and in the same manner as provided by law.
- 7. Unpaid and delinquent charges for wastewater services, certified by the Board of Trustees to the Treasurer or Assessor of the County in which the property is located, shall include interest at the rate established above, a penalty in an amount determined by resolution of the Board of Trustees per account or individual living unit, plus the delinquent charges as described in the District's "Delinquent Wastewater Services Account Procedures," hereby adopted as part of this Resolution.

SECTION 16 - DISPUTED BILLINGS

Disputed billings shall be reviewed by the District on a case-by-case basis and adjustments made, if necessary, after receipt of a written request for such review. The District shall not consider requests to review billings more than 1 year old.

SECTION 17

This Resolution shall be effective January 1, 2007, at 12:01 a.m.

Attest:

Chair, Board of Trustee